

AO 257 (Rev. 6/78)

**DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT**BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT  
☐ SUPERSEDING**OFFENSE CHARGED**26 U.S.C. § 7206(2) - Aiding &  
Assisting in the Preparation of  
False Tax Returns (20 counts)☐ Petty  
☐ Minor  
☐ Misdemeanor  
☒ Felony

E-filing

**PENALTY:**26 U.S.C. § 7206(2) - 3 years prison, \$250,000 fine, 1 year  
Supervised Release, \$100 assessment**PROCEEDING**

Name of Complainant Agency, or Person (&amp; Title, if any)

INTERNAL REVENUE SERVICE

☐ person is awaiting trial in another Federal or State  
Court, give name of court☐ this person/proceeding is transferred from another  
district per (circle one) FRCrP 20, 21 or 40. Show  
District☐ this is a reprosecution of  
charges previously dismissed  
which were dismissed on  
motion of:☐ U.S. Att'y ☐ Defense☐ this prosecution relates to a  
pending case involving this same  
defendant☐ prior proceedings or appearance(s)  
before U.S. Magistrate regarding  
this defendant were recorded underSHOW  
DOCKET NO.MAGISTRATE  
CASE NO.

Name and Office of Person

Furnishing Information on JOSEPH P. RUSSONIELLO  
THIS FORM☒ U.S. Att'y ☐ Other U.S. AgencyName of Asst. U.S. Att'y  
(if assigned)

BLAKE D. STAMM, AUSA, TAX DIV.

Name of District Court, and/or Judge/Magistrate Location  
NORTHERN DISTRICT OF CALIFORNIA  
OAKLAND

FILED

DEFENDANT - U.S.

OCT 22 2009

LYDIA ROSE JOHNSON

RICHARD W. WIEKING

CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

CK 09

1032

**DEFENDANT****IS NOT IN CUSTODY**1) ☒ Has not been arrested, pending outcome this proceeding  
If not detained give date any prior summons  
was served on above charges2) ☐ Is a Fugitive3) ☐ Is on Bail or Release from (show District)

NORTHERN DISTRICT OF CALIFORNIA

**IS IN CUSTODY**4) ☐ On this charge5) ☐ On another conviction6) ☐ Awaiting trial on other  
charges☐ Fed'l ☐ State

If answer to (6) is "Yes", show name of institution

Has detainer  
been filed?☐ Yes  
☒ NoIf "Yes"  
give date  
filedDATE OF  
ARREST

Month/Day/Year

Or... if Arresting Agency &amp; Warrant were not

Month/Day/Year

DATE TRANSFERRED  
TO U.S. CUSTODY☐ This report amends AO 257 previously submitted**ADDITIONAL INFORMATION OR COMMENTS****PROCESS:**☒ SUMMONS ☐ NO PROCESS\*☐ WARRANT Bail Amount: \_\_\_\_\_ OR \_\_\_\_\_

If Summons, complete following:

☒ Arraignment ☐ Initial Appearance

Defendant Address: \_\_\_\_\_

\*Where defendant previously apprehended on complaint, no new summons  
or warrant needed, since Magistrate has scheduled arraignment

Date/Time: \_\_\_\_\_

Before Judge: \_\_\_\_\_

Comments: \_\_\_\_\_

# United States District Court

FOR THE  
NORTHERN DISTRICT OF CALIFORNIA

OCT 22 2009

VENUE: OAKLAND

RICHARD W. WIEKING  
CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

CR 09

1032

E-filing

UNITED STATES OF AMERICA,

V.

DLJ

LYDIA ROSE JOHNSON,

DEFENDANT(S).

## INDICTMENT

26 U.S.C. § 7206(2) - Aiding & Assisting in the Preparation of False  
Tax Returns (20 counts)

A true bill.

*Lynda Benjamin*  
Foreman

Filed in open court this 22 day of

*October 22 2009*

*Johnyann*  
Clerk

*Shirley D. Legrand*  
Bail, \$ *Summons*

JOSEPH P. RUSSONIELLO (CSBN 44332)  
United States Attorney

E-filing

FILED

OCT 22 2009

RICHARD W. WIEKING  
CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

OAKLAND DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

LYDIA ROSE JOHNSON,

Defendant.

CR09

1032

VIOLATIONS: 26 U.S.C. § 7206(2) -  
Aiding and Assisting in the  
Preparation of False Tax Returns (20  
Counts)

OAKLAND VENUE

INDICTMENT

The Grand Jury charges:

INTRODUCTION - DEFINITIONS

1. The Internal Revenue Service ("IRS") is an agency of the United States within the Department of the Treasury of the United States.

2. (a) The Internal Revenue Code (Title 26 of the United States Code) contains the statutes and laws of the United States concerning, among other things, tax liability.

(b) "Federal Income Tax" refers to the tax due the United States under the Internal Revenue Code.

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INDICTMENT

**COUNTS ONE THROUGH FOUR:** (26 U.S.C. § 7206(2))

On or about the dates set forth below, in the Northern District of California, the defendant,

LYDIA ROSE JOHNSON,

a resident of Rodeo, California, did willfully aid and assist in, procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of U.S. Individual Income Tax Returns, Forms 1040, for 2004, either individual or joint, for the taxpayers specified below, which were false and fraudulent as to the material matters specified below, in that the defendant LYDIA ROSE JOHNSON prepared the tax returns described below containing the materially false item(s) specified below, which the defendant LYDIA ROSE JOHNSON then and there knew were false:

COUNT	DATE OF OFFENSE	TAXPAYER	MATERIAL FALSE ITEMS
1	4/15/2005	D. Brim	Form 1040, line 26 - \$2,500 Form 1040, line 49 - \$1,918, including: 1. Form 8863, line 4 - \$9,588
2	4/15/2005	V. Delgado	Form 1040, line 39 - \$37,666, including: 1. Sch. A, line 1 - \$19,422; 2. Sch. A, line 12 - \$14,230; 3. Sch. A, line 15 - \$1,435; 4. Sch. A, line 20 - \$3,256; 5. Sch. A, line 22 - \$50; Form 1040, line 47 - \$480, including: 1. Form 2441, line 3- \$2,400
3	4/15/2005	E. Taylor	Form 1040, line 27 - \$4,000 Form 1040, line 47 - \$960, including: 1. Form 2441, line 3- \$4,800
4	4/15/2005	S. Valles	Form 1040, line 26 - \$2,500 Form 1040, line 49 - \$2,000, including: 1. Form 8863, line 4 - \$10,125

In violation of Title 26, United States Code, Section 7206(2).

**COUNTS FIVE THROUGH TEN:** (26 U.S.C. § 7206(2))

On or about the dates set forth below, in the Northern District of California, the defendant,

LYDIA ROSE JOHNSON,

INDICTMENT

a resident of Rodeo, California, did willfully aid and assist in, procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of U.S. Individual Income Tax Returns, Forms 1040, for 2005 either individual or joint, for the taxpayers specified below, which were false and fraudulent as to the material matters specified below, in that the defendant LYDIA ROSE JOHNSON prepared the tax returns described below containing the materially false item(s) specified below, which the defendant LYDIA ROSE JOHNSON then and there knew were false:

COUNT	DATE OF OFFENSE	TAXPAYER	MATERIAL FALSE ITEMS
5	4/17/2006	D. Brim	Form 1040, line 40 - \$21,094, including: 1. Sch. A, line 5 - \$ 904; 2. Sch. A, line 15- \$7,822; 3. Sch. A, line 20 - \$12,314;
6	4/17/2006	V. Delgado	Form 1040, line 40 -\$28,851, including: 1. Sch. A, line 1 - \$10,877; 2. Sch. A, line 7- \$1,376; 3. Sch. A, line 15 - \$5,365; 4. Sch. A, line 16 - \$250; 5. Sch A, line 20 - \$12,600
7	4/17/2006	V. & R. Preston	Form 1040, line 40 -\$49,033, including: 1. Sch. A, line 1 - \$15,470; 2. Sch. A, line 5 - \$4,425; 3. Sch. A, line 7 - \$541; 4. Sch. A, line 15 - \$9,616; 5. Sch. A, line 20 - \$29,091
8	4/17/2006	E. Taylor	Form 1040, line 40 -\$40,303 including: 1. Sch. A, line 1 - \$12,804; 2. Sch. A, line 5 - \$2,600; 3. Sch. A, line 7 - \$1,003; 4. Sch. A, line 15 - \$8,128; 5. Sch. A, line 20 - \$16,619; 6. Sch. A, line 22 - \$4,233
9	4/17/2006	J. Troutt	Form 1040, line 40 -\$28,596, including: 1. Sch. A, line 1 - \$9,723; 2. Sch. A, line 5 - \$1,514; 3. Sch. A, line 7 - \$235; 4. Sch. A, line 15 - \$6,916; 5. Sch. A, line 16 - \$500; 6. Sch. A, line 20 - \$13,296
10	4/17/2006	S. Valles	Form 1040, line 40 - \$22,232, including: 1. Sch. A, line 15 - \$6,727; 2. Sch. A, line 20 - \$14,004;

In violation of Title 26, United States Code, Section 7206(2).

**COUNTS ELEVEN THROUGH SIXTEEN:** (26 U.S.C. § 7206(2))

On or about the dates set forth below, in the Northern District of California, the defendant,

LYDIA ROSE JOHNSON,

a resident of Rodeo, California, did willfully aid and assist in, procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of U.S. Individual Income Tax Returns, Forms 1040, for 2006, either individual or joint, for the taxpayers specified below, which were false and fraudulent as to the material matters specified below, in that the defendant LYDIA ROSE JOHNSON prepared the tax returns described below containing the materially false item(s) specified below, which the defendant LYDIA ROSE JOHNSON then and there knew were false:

COUNT	DATE OF OFFENSE	TAXPAYER	MATERIAL FALSE ITEMS
11	4/16/2007	D. Brim	Form 1040, line 40 -\$17,450, including: 1. Sch. A, line 5 - \$820; 2. Sch. A, line 15 - \$4,162; 3. Sch. A, line 20 - \$7,421
12	4/16/2007	V. Delgado	Form 1040, line 40 -\$70,093, including: 1. Sch. A, line 1 - \$11,521; 2. Sch. A, line 7 - \$1,266; 3. Sch. A, line 15 - \$5,972; 4. Sch. A, line 16 - \$500; 5. Sch. A, line 20 - \$52,884
13	4/16/2007	V. & R. Preston	Form 1040, line 40 -\$59,091, including: 1. Sch. A, line 5 - \$3,734; 2. Sch. A, line 6 - \$12,746; 3. Sch. A, line 15 - \$6,964; 4. Sch. A, line 20 - \$15,399; Form 1040, line 52 - \$500; including Form 5695, line 3- \$2,400
14	4/16/2007	E. Taylor	Form 1040, line 40 -\$39,252, including: 1. Sch. A, line 1 - \$8,929; 2. Sch. A, line 5 - \$2,286; 3. Sch. A, line 7 - \$1,103; 4. Sch. A, line 15 - \$8,838; 5. Sch. A, line 16 - \$500; 6. Sch. A, line 20 - \$22,843

15	4/16/2007	J. Troutt	Form 1040, line 40 -\$29,793, including: 1. Sch. A, line 1- \$6,203; 2. Sch. A, line 5 - \$1,461; 3. Sch. A, line 15 - \$6,910; 4. Sch. A, line 20 - \$18,570
16	4/15/2007	S. Valles	Form 1040, line 40 - \$24,306, including: 1. Sch. A, line 6 - \$7,000; 2. Sch. A, line 15 - \$5,523; 3. Sch. A, line 20 - \$4,910

In violation of Title 26, United States Code, Section 7206(2).

**COUNTS SEVENTEEN THROUGH TWENTY-~~ONE~~** (26 U.S.C. § 7206(2))

On or about the dates set forth below, in the Northern District of California, the defendant,

LYDIA ROSE JOHNSON,

a resident of Rodeo, California, did willfully aid and assist in, procure, counsel, and advise the preparation and presentation to the Internal Revenue Service, of U.S. Individual Income Tax Returns, Forms 1040, for 2007, either individual or joint, for the taxpayers specified below, which were false and fraudulent as to the material matters specified below, in that the defendant LYDIA ROSE JOHNSON prepared the tax returns described below containing the materially false item(s) specified below, which the defendant LYDIA ROSE JOHNSON then and there knew were false:

COUNT	DATE OF OFFENSE	TAXPAYER	MATERIAL FALSE ITEMS
17	4/15/2008	D. Brim	Form 1040, line 40 -\$12,086, including: 1. Sch. A, line 8 - \$5,925 2. Sch. A, line 21 - \$5,334
18	4/15/2008	V. Delgado	Form 1040, line 40 - \$22,035, including: 1. Sch. A, line 7 - \$1,880; 2. Sch. A, line 16 - \$500; 3. Sch. A, line 17 - \$5,200; 4. Sch. A, line 21 - \$11,026
19	4/15/2008	V. & R. Preston	Form 1040, line 40 -\$71,200, including: 1. Sch. A, line 8 - \$19,218; 2. Sch. A, line 17- \$5,050

INDICTMENT

20	4/15/2008	S. Valles	Form 1040, line 40 - (\$31,677), including: 1. Sch. A, line 7 - \$4,809; 2. Sch. A, line 8 - \$7,210; 3. Sch. A, line 17 - \$4,000; 4. Sch. A, line 21 - \$2,600
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In violation of Title 26, United States Code, Section 7206(2).

A True Bill

Dated:

October 22, 2009

Sandra Benjamin  
FOREPERSON

JOSEPH P. RUSSONIELLO  
United States Attorney

John J. Stretch  
BRIAN STRETCH  
Chief, Criminal Section

Approved as to Form

Blake D. Stamm  
BLAKE D. STAMM  
Assistant United States Attorney